

SENATE/HOUSE FILE _____
BY (PROPOSED DEPARTMENT OF
COMMERCE/INSURANCE DIVISION
BILL)

A BILL FOR

1 An Act relating to the receipt of pecuniary damages by insurers
2 as victims for purposes of criminal restitution.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 910.1, subsection 3, Code 2018, is
2 amended to read as follows:

3 3. "*Pecuniary damages*" means all damages ~~to the extent not~~
4 ~~paid by an insurer,~~ which a victim could recover against the
5 offender in a civil action arising out of the same facts or
6 event, except punitive damages and damages for pain, suffering,
7 mental anguish, and loss of consortium. Without limitation,
8 "*pecuniary damages*" includes damages for wrongful death and
9 expenses incurred for psychiatric or psychological services
10 or counseling or other counseling for the victim which became
11 necessary as a direct result of the criminal activity.

12 Sec. 2. Section 910.1, subsection 5, Code 2018, is amended
13 to read as follows:

14 5. "*Victim*" means a person who has suffered pecuniary
15 damages as a result of the offender's criminal activities.
16 ~~However, for~~ For purposes of this chapter, an insurer is not
17 a victim and does not have a right of subrogation unless the
18 insurer is a victim of insurance fraud pursuant to section
19 507E.3 or 507E.3A. The crime victim compensation program is
20 not an insurer for purposes of this chapter, and the right
21 of subrogation provided by section 915.92 does not prohibit
22 restitution to the crime victim compensation program.

23 EXPLANATION

24 The inclusion of this explanation does not constitute agreement with
25 the explanation's substance by the members of the general assembly.

26 This bill relates to insurers as victims for purposes of
27 receipt of criminal restitution damages. The bill amends the
28 definitions of pecuniary damages and victim in the criminal
29 restitution Code chapter to allow insurers to receive criminal
30 restitution payments if the insurers are victims of insurance
31 fraud due to fraudulent submissions or fraudulent sales
32 practices. Insurers are currently excluded as victims for
33 purposes of criminal restitution.